



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**DAVE GOETZ
COMMISSIONER**

FOR IMMEDIATE RELEASE
FRIDAY, MAY 11, 2007

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APRIL REVENUES

NASHVILLE - Finance and Administration Commissioner Dave Goetz reported today that overall April revenues were \$1,399.6 million or \$72.2 million more than the state budgeted.

On an accrual basis, April is the ninth month in the 2006-2007 fiscal year.

The general fund was over collected by \$57.1 million, and the four other funds were over collected by \$15.1 million.

Sales tax collections were \$19.3 million more than the estimate for April. The April growth rate was 6.60%. For nine months revenues are under collected by \$29.3 million. The year-to-date growth rate for nine months was 4.71%.

Franchise and excise taxes combined were \$2.3 million above the budgeted estimate of \$400.3 million. For nine months revenues are over collected by \$163.0 million.

Hall Income tax collections for April were \$39.8 million more than the estimate. For nine months collections are \$43.3 million more than the estimate. The growth rate for the nine month period was 28.14%.

Inheritance and estate tax collections were \$2.8 million above the April estimate. For nine months collections are \$21.1 million above the budgeted estimate.

Gasoline and motor fuel collections for April decreased by 2.79%. For nine months revenues are over collected by \$11.4 million.

Year-to-date collections for nine months were \$257.2 million more than the budgeted estimate. The general fund was over collected by \$218.1 million and the four other funds were over collected by \$39.1 million.

The budgeted revenue estimates are based on the State Funding Board's consensus recommendation adopted by the second session of the 104th General Assembly in May of 2006.

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|---|
| <p align="center">REVENUE COLLECTIONS APRIL, 2007, AND 9 MONTHS YEAR-TO-DATE</p> |
|---|

April Collections:

| | Budgeted Accrual Estimate | Actual | Difference |
|--------------------|--|------------------------|---------------------|
| General Fund | \$1,122,092,000 | \$1,179,197,000 | \$57,105,000 |
| Highway Fund | 61,786,000 | 62,400,000 | 614,000 |
| Sinking Fund | 26,004,000 | 26,129,000 | 125,000 |
| City & County Fund | 114,518,000 | 128,855,000 | 14,337,000 |
| Earmarked Fund | 2,968,000 | 3,003,000 | 35,000 |
| Total | \$1,327,368,000 | \$1,399,584,000 | \$72,216,000 |

Year-To-Date Collections:

| | Budgeted Accrual Estimate | Actual | Difference |
|--------------------|--|------------------------|----------------------|
| General Fund | \$6,618,331,000 | \$6,836,423,000 | \$218,092,000 |
| Highway Fund | 478,064,000 | 492,159,000 | 14,095,000 |
| Sinking Fund | 232,915,000 | 232,657,000 | (258,000) |
| City & County Fund | 591,986,000 | 616,923,000 | 24,937,000 |
| Earmarked Fund | 23,945,000 | 24,247,000 | 302,000 |
| Total | \$7,945,241,000 | \$8,202,409,000 | \$257,168,000 |

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

| Class of Tax | April | | | |
|-------------------------------|------------------------|------------------------|----------------------|--------------|
| | 2006 | 2007 | Change | Percent |
| Franchise & Excise | \$387,245,000 | \$402,635,000 | \$15,390,000 | 3.97% |
| Income | 154,292,000 | 201,628,000 | 47,336,000 | 30.68% |
| Inheritance & Estate | 14,374,000 | 16,429,000 | 2,055,000 | 14.30% |
| Gasoline | 49,627,000 | 47,127,000 | -2,500,000 | -5.04% |
| Petroleum Special | 5,285,000 | 5,266,000 | -19,000 | -0.36% |
| Tobacco | 9,947,000 | 16,834,000 | 6,887,000 | 69.24% |
| Beer | 1,736,000 | 1,701,000 | -35,000 | -2.02% |
| Motor Vehicle Registration | 30,001,000 | 29,992,000 | -9,000 | -0.03% |
| Motor Vehicle Title | 871,000 | 950,000 | 79,000 | 9.07% |
| Mixed Drink | 4,274,000 | 4,849,000 | 575,000 | 13.45% |
| Business | 2,413,000 | 1,659,000 | -754,000 | -31.25% |
| Privilege | 25,836,000 | 25,702,000 | -134,000 | -0.52% |
| Gross Receipts | 26,000 | 106,000 | 80,000 | 307.69% |
| TVA - In Lieu of Tax Payments | 18,344,000 | 21,114,000 | 2,770,000 | 15.10% |
| Alcoholic Beverage | 3,926,000 | 3,666,000 | -260,000 | -6.62% |
| Sales and Use | 564,234,000 | 601,482,000 | 37,248,000 | 6.60% |
| Motor Vehicle Fuel | 17,724,000 | 18,218,000 | 494,000 | 2.79% |
| Severance | 141,000 | 144,000 | 3,000 | 2.13% |
| Coin-operated Amusement | 0 | 3,000 | 3,000 | NA |
| Unauthorized Substance | 34,000 | 79,000 | 45,000 | 132.35% |
| Total | \$1,290,330,000 | \$1,399,584,000 | \$109,254,000 | 8.47% |

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

| Class of Tax | August - April | | | |
|-------------------------------|------------------------|------------------------|----------------------|--------------|
| | 2005-2006 | 2006-2007 | Change | Percent |
| Franchise & Excise | \$1,121,948,000 | \$1,355,147,000 | \$233,199,000 | 20.79% |
| Income | 184,735,000 | 236,719,000 | 51,984,000 | 28.14% |
| Inheritance & Estate | 62,978,000 | 79,597,000 | 16,619,000 | 26.39% |
| Gasoline | 447,895,000 | 453,096,000 | 5,201,000 | 1.16% |
| Petroleum Special | 47,781,000 | 48,544,000 | 763,000 | 1.60% |
| Tobacco | 94,158,000 | 103,397,000 | 9,239,000 | 9.81% |
| Beer | 13,348,000 | 13,511,000 | 163,000 | 1.22% |
| Motor Vehicle Registration | 181,634,000 | 191,828,000 | 10,194,000 | 5.61% |
| Motor Vehicle Title | 8,077,000 | 8,254,000 | 177,000 | 2.19% |
| Mixed Drink | 36,331,000 | 39,624,000 | 3,293,000 | 9.06% |
| Business | 15,310,000 | 14,362,000 | -948,000 | -6.19% |
| Privilege | 206,281,000 | 215,522,000 | 9,241,000 | 4.48% |
| Gross Receipts | 13,180,000 | 14,550,000 | 1,370,000 | 10.39% |
| TVA - In Lieu of Tax Payments | 164,987,000 | 184,134,000 | 19,147,000 | 11.61% |
| Alcoholic Beverage | 29,676,000 | 30,784,000 | 1,108,000 | 3.73% |
| Sales and Use | 4,844,582,000 | 5,072,888,000 | 228,306,000 | 4.71% |
| Motor Vehicle Fuel | 135,361,000 | 137,862,000 | 2,501,000 | 1.85% |
| Severance | 1,354,000 | 1,177,000 | -177,000 | -13.07% |
| Coin-operated Amusement | 63,000 | 91,000 | 28,000 | 44.44% |
| Unauthorized Substance | 742,000 | 1,322,000 | 580,000 | 78.17% |
| Total | \$7,610,421,000 | \$8,202,409,000 | \$591,988,000 | 7.78% |

Table 3
August - April Revenue Overcollections/(Undercollections)
Budgeted Estimate

| | General Fund | Other Funds | Total |
|-----------------------------|-------------------------|------------------------|-----------------------|
| Sales Tax | \$ (28,000,000) | \$ (1,300,000) | \$ (29,300,000) |
| Income Tax | 28,700,000 | 14,600,000 | 43,300,000 |
| Inheritance Tax | 21,100,000 | 0 | 21,100,000 |
| Privilege Tax | 9,600,000 | 300,000 | 9,900,000 |
| Business Tax | 600,000 | 0 | 600,000 |
| TVA | 7,900,000 | 5,400,000 | 13,300,000 |
| Gross Receipts | 600,000 | 0 | 600,000 |
| Gasoline & Motor Fuel Taxes | 200,000 | 11,200,000 | 11,400,000 |
| Motor Vehicle Registration | 0 | 7,800,000 | 7,800,000 |
| Other Taxes | 14,400,000 | 1,100,000 | 15,500,000 |
| Sub-Total | \$ 55,100,000 | \$ 39,100,000 | \$ 94,200,000 |
| F & E Taxes | 163,000,000 | 0 | 163,000,000 |
| Total | \$ 218,100,000 | \$ 39,100,000 | \$ 257,200,000 |